Oishi Group Public Co Ltd v Liwayway Marketing Corp

HIGH COURT (KUALA LUMPUR) — ORIGINATING SUMMONS NO 24IP-5–02 OF 2013
AZIZAH NAWAWI JC
19 AUGUST 2014

Trade Marks — Application to expunge from register — Registered mark — Non-user of registered mark — Plaintiff applied to expunge defendant's registered mark on ground defendant failed to use mark for more than three years prior to application — Plaintiff also contended name of mark not inventive or distinctive but had dictionary meaning and was surname of many Japanese personalities — Whether mark contravened relevant provisions of Trade Marks Act 1976 ('TMA') and should not have been registered — Whether plaintiff had established prima facie case of non-user of mark by defendant which latter failed to rebut — Whether defendant's reason for non-use not a 'special circumstance' under s 46(4) of the TMA — Whether plaintiff an 'aggrieved person' qualified to make application under ss 45 and 46 of the TMA

The plaintiff, a Thai-based company in the business of manufacturing various types of non-alcoholic drinks under the brand 'OISHI', applied unsuccessfully to the Registrar of Trademarks in Malaysia to register 'OISHI' as its trademark under Class 32. The application was rejected because the defendant, a Philippines-based company, was already the registered proprietor of the mark 'Oishi' in Class 30 and Class 43 on the register of trade marks ('the register'). The plaintiff's instant application, pursuant to ss 45(1)(a) and 46(1) of the Trade Marks Act 1976 ('TMA'), was to expunge the defendant's marks on the ground it had not used them in good faith for a continuous period of not less than three years up to one month before the instant application was filed. The plaintiff also contended the registration of the defendant's mark contravened s 10 of the TMA because the name 'Oishi' was not an inventive or distinctive word but the surname of many prominent Japanese personalities and it had a dictionary meaning of 'good taste', thereby alluding to the characteristics or qualities of the defendant's goods or services. The plaintiff said the entry of the defendant's mark on the register was made without sufficient cause and it was wrongful to allow it to remain. In support of its application, the plaintiff contended that it was the common law owner of the mark 'OISHI'; that as the plaintiff and defendant were in similar trade, so long as the defendant's mark remained on the register giving it a monopoly over the use of that name, the plaintiff would be prejudiced in being unable to import/manufacture/sell its goods. The plaintiff tendered evidence of a market survey it caused to be carried out on 260 retail outlets in the Klang Valley, Johor and Penang showing that none of those outlets had any product with the brand 'Oishi'. The defendant

contended that the plaintiff was not a 'person aggrieved' under ss 45 and 46 of the TMA to qualify it to make the instant application. It also denied it had not used its mark during the relevant period addressed in the plaintiff's application. The defendant further contended that, in reliance upon s 46(4) of the TMA, its non-use of the mark was due to a 'special circumstance', namely, it had applied for halal certification, and not because it intended to abandon or not use the trademark.

Held, allowing the application:

(1) The plaintiff had shown a genuine interest to use the mark 'OISHI' and was therefore a 'person aggrieved' under ss 45 and 46 of the TMA (see para 14).

(2) Premised on the plaintiff's survey report, the court found that the plaintiff had established a prima facie case of non-use on the defendant's part. The survey report complied with the minimum requirements set out in *Imperial Group Plc v Philip Morris Ltd & Anor* [1984] RPC 293. The defendant failed, in rebuttal, to prove that there had been use of its 'Oishi' mark in Malaysia for a continuous period of not less than three years up to one month before the filing of the plaintiff's application (per s 46(1)(b) of the TMA). Alternatively, there had been no use of the defendant's 'Oishi' marks in Malaysia up to one month before the filing of the plaintiff's application under s 46(1)(a) of the TMA. Simply showing the mark noted on cash invoices of a third party, and not of the registered proprietor or registered user, was not 'use' of the registered mark within the meaning of s 46(1)(b) read with s 3(2) of the TMA. The 'use' must be physical use of the mark on or in relation to the goods by the registered proprietor or registered user (see paras 20, 23 & 25).

(3) The defendant was not entitled to rely upon s 46(4) of the TMA because the reason it gave for its non-use – namely, that it had applied for halal certification – was not due to an abnormal external event but was a commercial choice as it purportedly wanted to expand into the halal market (see para 28).

(4) The defendant could not rely on the conclusiveness of the register under s 37 of the TMA because the registration of its trademarks did not fulfill the criteria in ss 10(1)(c) and (d) of the TMA as the name 'Oishi' was the surname used by several prominent Japanese personalities, it had a dictionary meaning of 'good taste' and thus made direct reference to the character or quality of the defendant's goods and services, it was not an invented word and was not distinctive and its continued registration was contrary to the law pursuant to s 14(1)(a). The defendant's trademarks were therefore registered without sufficient cause and/or were registrations wrongfully remaining on the register (see paras 32 & 34–37).

[Bahasa Malaysia summary

Plaintif, sebuah syarikat berpangkalan di Thailand dalam perniagaan pembuatan pelbagai jenis minuman tanpa alcohol di bawah jenama 'OISHI', tidak berjaya memohon kepada pendaftar cap dagangan di Malaysia untuk mendaftar 'OISHI' sebagai cap dagangannya di bawah Kelas 32. Pemohonan tersebut ditolak kerana defendan, sebuah syarikat berpusat di Filipina, telah menjadi pemilik berdaftar tanda 'Oishi' dalam Kelas 30 dan Kelas 43 pada daftar cap dagangan ('daftar'). Permohonan plaintif ini, menurut ss 45(1)(a) dan 46(1) Akta Cap Dagangan 1976 ('ACD'), adalah untuk memadamkan tanda defendan atas alasan defendan tidak menggunakannya secara suci hati untuk tempoh berpanjangan tidak kurang daripada tiga tahun sehingga satu bulan sebelum permohonan ini difailkan. Plaintif juga menegaskan pendaftaran tanda defendan bercanggah dengan s 10 ACD kerana nama 'Oishi' bukanlah satu rekaan atau perkataan tersendiri tetapi nama keluarga kepada ramai personaliti Jepun yang terkenal dan ia juga mempunyai makna kamus 'rasa yang bagus', dengan itu merujuk kepada ciri-ciri atau kualiti makanan atau perkhidmatan defendan. Plaintif mengatakan kemasukan tanda defendan dalam daftar dibuat tanpa sebab mencukupi dan adalah salah untuk membenarkannya kekal. Bagi menyokong permohonannya, plaintif menegaskan bahawa plaintif merupakan pemilik common law tanda 'OISHI'; bahawa memandangkan plaintif dan defendan berada dalam dagangan yang sama, selagi tanda defendan kekal dalam daftar dan memberikannya monopoli terhadap penggunaan nama tersebut, plaintif akan diprejudiskan kerana tidak boleh mengimport/membuat/menjual barangannya. Plaintif menender keterangan kajian pasaran yang dijalankan ke atas 260 kedai runcit di Lembah Klang, Johor dan Pulau Pinang menunjukkan tiada satu pun kedai runcit tersebut mempunyai sebarang produk dengan jenama 'Oishi'. Defendan menegaskan bahawa plaintif bukanlah 'orang terkilan' di bawah ss 45 dan 46 ACD untuk melayakkannya untuk membuat permohonan ini. Defendan juga menafikan dia tidak menggunakan tandanya semasa tempoh relevan seperti yang dinyatakan dalam permohonan plaintif. Defendan seterusnya menegaskan bahawa, dengan bergantung kepada s 46(4) ACD, ketidakpenggunaannya ke atas tanda tersebut disebabkan satu 'keadaan istimewa', iaitu, ia telah memohon untuk sijil halal dan bukan kerana ia berniat untuk mengabaikan atau tidak menggunakan cap dagangan tersebut.

Diputuskan, membenarkan permohonan:

(1) Plaintif menunjukkan minat yang tulus untuk menggunakan tanda 'OISHI' dan oleh itu merupakan 'orang terkilan' di bawah ss 45 dan 46 ACD (lihat perenggan 14).

(2) Berpremiskan laporan kajian plaintif, mahkamah mendapati plaintif telah membuktikan satu kes prima facie mengenai ketidakpenggunaan bagi pihak defendan. Laporan kajian menepati keperluan minimum

yang dinyatakan dalam *Imperial Group Plc v Philip Morris Ltd & Anor* [1984] RPC 293. Defendan gagal, dalam bantahan, untuk membuktikan bahawa terdapat penggunaan tanda 'Oishi'nya di Malaysia untuk satu tempoh berterusan tidak kurang daripada tiga tahun sehingga sebulan sebelum pemfailan permohonan plaintif (seperti s 46(1)(b) ACD). Secara alternatifnya, tidak terdapat penggunaan tanda 'Oishi' defendan di Malaysia sehingga satu bulan sebelum pemfailan permohonan plaintif di bawah s 46(1)(a) ACD. Dengan hanya menunjukkan cap tersebut dicatatkan pada invois tunai pihak ketiga dan bukannya pada pemilik berdaftar atau pengguna berdaftar, itu bukanlah 'penggunaan' cap berdaftar seperti yang terangkum dalam s 46(1)(b) dibaca bersama s 3(2) ACD. 'Penggunaan' tersebut mestilah penggunaan fizikal cap pada atau berkaitan dengan barangan oleh pemilik berdaftar atau pengguna berdaftar (lihat perenggan 20, 23 & 25).

(3) Defendan tidak berhak untuk bergantung kepada s 46(4) ACD kerana alasan yang diberikan untuk ketidakpenggunaannya – iaitu, bahawa defendan telah memohon untuk sijil halal – bukan disebabkan oleh peristiwa luaran yang tidak normal tetapi merupakan pilihan komersial kerana defendan kononnya mahu berkembang ke pasaran halal (lihat perenggan 28).

(4) Defendan tidak boleh bergantung kepada kemuktamadan daftar di bawah s 37 ACD kerana pendaftaran tanda dagang mereka tidak memenuhi kriteria ss 10(1)(c) dan (d) ACD memandangkan nama 'Oishi' adalah nama keluarga yang digunakan oleh beberapa personality Jepun terkemuka, perkataan itu juga mempunyai makna kamus 'rasa yang bagus' dan oleh itu membuat rujukan secara langsung kepada ciri-ciri atau kualiti barang dan perkhidmatan defendan, perkataan tersebut bukanlah satu ayat yang direka dan tidak tersendiri dan pendaftarannya yang berterusan bertentangan dengan undang-undang menurut s 14(1)(a). Oleh itu cap dagangan defendan telah didaftarkan tanpa sebab yang mencukupi dan/atau pendaftaran tersebut dikekalkan secara salah dalam daftar (lihat perenggan 32 & 34–37).]

Notes

For cases on registered mark, see 12(2) *Mallal's Digest* (4th Ed, 2013 Reissue) paras 2356–2357.

Cases referred to

The Agricultural and Processed Food Products Export Development Authority of India (APEDA) & Ors v Syarikat Faiza Sdn Bhd [2011] 2 MLJ 768; [2011] 9 CLJ 394, HC (refd)

BULOVA Trade Mark [1967] RPC 229, Ch D (refd)

Godrej Sara Lee Ltd v Siah Teong Teck & Anor (Part 2) [2007] 7 MLJ 164; [2008] 7 CLJ 24, HC (refd)

Imperial Group Ltd v Philip Morris & Co [1984] RPC 293, Ch D (refd)
LB (Lian Bee) Confectionery Sdn Bhd v QAF Ltd [2012] 4 MLJ 20; [2012] 3 CLJ 661, FC (refd)
Lam Soon Edible Sdn Bhd v Hup Seng Perusahaan Makanan (M) Sdn Bhd [2010] 4 MLJ 702; [2010] 5 CLJ 975, HC (refd)
McLaren International Ltd v Lim Yat Meen [2009] 5 MLJ 741; [2009] 4 CLJ 749, FC (refd)
Titan (M) Sdn Bhd v The Registrar of Trade Marks [2009] 7 CLJ 338, HC (refd)

Legislation referred to

Trade Marks Act 1976 ss 3, 3(2), 10, s 10(1)(c), (1)(d), 14(1)(a), 37, 45, 45(1)(a), 46, 46(1), (1)(a), (1)(b), 46(4), 48

Bahari Yeow (Lim Zhi Jian with him) (Lee Hishammuddin Allen & Gledhill) for the plaintiff.
H S Tan (Peter Huang & Richard) for the defendant.

Azizah Nawawi JC:

APPLICATION

[1] The plaintiff's originating summon dated 19 February 2013 is to expunge the defendant's registered trademarks which are as follows:

(a) registered trademark No 00010944 in Class 30 (for snack food products such as prawn crackers, potato flakes, potato fries etc) registered since 10 August 2000;

(b) registered trademark No 04009312 (for potato chips, meat, fish, poultry etc) registered since 8 July 2004;

(c) registered trademark No 05004420 in Class 43 (for services for providing food and drink) registered since 25 March 2005; and

(d) registered trademark No 05021787 in Class 30 (for coffee, tea, cocoa, sugar, rice etc) registered since 23 December 2005.

[2] The grounds of the application are premised on non-use of the defendant's trademarks and that the defendant's trademarks are entries made in the register without sufficient cause and are therefore wrongfully remaining in the register. The application is pursuant to ss 45(1)(a) and 46(1) read with s 10 of the Trade Marks Act 1976 ('Act 175').

THE SALIENT FACTS

[3] The plaintiff is a public company incorporated in Thailand with its registered address in Bangkok, Thailand and is in the business of

manufacturing and producing non alcoholic beverage, aerated water, fruit juices, ready-to-drink green tea and carbonated drinks under its trademark 'OISHI'.

[4] The defendant is a company limited by shares incorporated in the Philippines with its business address in Manila, Philippines and is the registered owner of the trademark 'Oishi' in Class 30 and Class 43 on the register of trademarks.

[5] On 24 October 2011, the plaintiff applied to the registrar of trademarks for the registration of the plaintiff's trademark 'OISHI' in Class 32, but the same were rejected due to the defendant's trademark 'Oishi' in Class 30 and Class 43 on the register of trademarks.

THE FINDINGS OF THE COURT

[6] It is the submission of the plaintiff that the plaintiff is an aggrieved person within the meaning of ss 45(1)(a) and 46(1) of Act 175 to bring this action against the defendant. The plaintiff also submits that the defendant did not use the defendant's trademarks in good faith for a continuous period of more than three years prior to the filing of this action. Added to that the plaintiff submits that the defendant's trademarks are entries made in the register without sufficient cause and are wrongfully remaining in the register on the basis that 'OISHI' are surnames of prominent Japanese figures, with a dictionary meaning and is not an inventive word and is therefore in contravention of s 10 of Act 175.

[7] It is the submission of the defendant that the plaintiff is not an aggrieved party premised on the decision of the Federal Court in *McLaren International Ltd v Lim Yat Meen* [2009] 5 MLJ 741; [2009] 4 CLJ 749; that as the plaintiff is merely making an application for registration, it cannot qualify as a person aggrieved within s 45 and s 46 of Act 175. The defendant relies on the conclusiveness of the registration under s 37, that the survey report tendered by the plaintiff did not comply with the minimum standards required and that there is sufficient evidence before this court that there was use of the 'OISHI' mark as can be seen from the cash invoices issued by Proplus Resources within the relevant period.

[8] The issues in this case are:

(a) whether the plaintiff is an aggrieved party within the meaning of ss 45 and 46(1) of Act 175;

(b) whether the defendant's trademarks should be expunged for non-use; and

(c) whether the defendant's trademarks are entries made in the register without sufficient cause and are therefore wrongfully remaining in the register.

(a) Whether the plaintiff is an aggrieved person

[9] The plaintiff's application is pursuant to ss 45(1)(a) and 46(1) of the Trade Marks Act 1976 ('Act 175') which provides as follows:

> 45(1) Subject to the provisions of this Act –
>
> (a) the Court may on the application in the prescribed manner of any person aggrieved by the non-insertion in or omission from the Register of any entry or by any entry made in the Register without sufficient cause or by any entry wrongfully remaining in the Register, or by any error or defect in any entry in the Register, make such order for making, expunging or varying such entry as if thinks fit;

Section 46(1) of Act 175 provides as follows:

> (1) Subject to this section and to section 57, the Court may, on application by a *person aggrieved, order a trade mark to be removed from the Register* in respect of any of the goods or services in respect of which it is registered *on the ground* –
>
> (a) that the trade mark was *registered without an intention in good faith*, on the part of the applicant for registration or, if it was registered under subsection 26(1), on the part of the body corporate or registered user concerned, *to use the trade mark in relation to those goods or services and that there has in fact been no use in good faith of the trade mark in relation to those goods or services* by the registered proprietor or registered user of the trade mark for the time being up to the date one month before the date of the application; or
>
> (b) that up to one month before the date of the application a *continuous period of not less than three years* had elapsed during which the trade mark was a registered trade mark and during which *there was no use* in good faith of the trade mark in relation to those goods or services by the *registered proprietor or registered user* of the trade mark for the time being. (Emphasis added.)

[10] The term 'aggrieved person' in the context of s 45 and s 46 of Act 175 was discussed by the Federal Court in *LB (Lian Bee) Confectionery Sdn Bhd v QAF Ltd* [2012] 4 MLJ 20; [2012] 3 CLJ 661 where the Federal Court held that:

> [14] ... A 'person aggrieved' need not be a person with any specific right. A *'person aggrieved'* in this context may include *someone with simply a bona fide intention to use a trademark that is registered* but which had not been used by the registered proprietor or any registered user for a continuous period of not less than three years

A up to one month before the date of an application under s 46(1) of the TMA to expunge ...

...

Thus a *'person aggrieved'* may have no rights at all but *merely a genuine intention to use a trademark that is registered* but which has not been used by the registered proprietor. (Emphasis added.)

[11] The Federal Court in *LB*'s case then quoted its earlier decision in *McLaren International Ltd* at p 28 (MLJ); p 671 (CLJ):

[22] We understand that passage as laying down the principle that *a person aggrieved is a person* who has used his mark as a trademark – or *who has genuine and present intention to use his mark as a trademark* – in the course of a trade which is the same as or similar to the trade of the owner of the registered trademark that the person wants to have removed from the register. (Emphasis added.)

[12] In *The Agricultural and Processed Food Products Export Development Authority of India (APEDA) & Ors v Syarikat Faiza Sdn Bhd* [2011] 2 MLJ 768; [2011] 9 CLJ 394, Azahar Mohamed J (as His Lordship then was) in citing the Federal Court decision of *McLaren International Ltd* held at p 776 (MLJ); pp 401–402 (CLJ):

[11] ... The *registration of the PONNI trademark is blocking the use of the name and mark Ponni by others who have trading interests in Ponni rice. The applicants' interests are and could further be negatively affected by the exclusive claim by the respondent over the PONNI trademark ... a trade mark in Malaysia could and would affect their ability to distribute and/or otherwise trade in PONNI rice in Malaysia and elsewhere*. Hence, in my judgment, singly and collectively the applicants are persons aggrieved within the meaning of s 45 of the Act. (Emphasis added.)

[13] From the affidavit affirmed by Somboon Eartherasarun on 12 March 1013 for and on behalf of the plaintiff, the plaintiff has applied to register its trademark in Class 32 on 24 October 2011. In paras (18) and (19) of his affidavit, the plaintiff says that it is an aggrieved party based on the following grounds:

(a) that it is the common law owner and proprietor of its mark, 'OISHI';

(b) that the plaintiff and the defendant are dealing in similar trade and the registrations of the defendant's marks would prejudice the plaintiff's legitimate business expectations, in particular the plaintiff will be prevented from importing/manufacturing/selling its goods;

(c) that the subsistence of the defendant's registered marks, "Oishi" would provide the defendant monopoly over a well known, non-invented dictionary word which is in direct reference to the defendant's goods and services; and

(d) that the plaintiff would continuously suffer prejudice in their legitimate expectation to import/manufacture/sell its goods if the defendant's marks remain on the register.

[14] From the above facts, I am of the considered opinion that the plaintiff has shown a genuine interest to use its mark, 'OISHI' and is therefore a person aggrieved under ss 45 and 46 of Act 175.

(b) Whether the defendant's marks should be expunged for non-use

[15] The next issue is on the non-use of the defendant's mark for a continuous period of not less than three years up to one month before the filing of this application. In the present case the OS was filed on 19 February 2013. Under s 46(1)(b), there must be a continuous non-use of three years before 19 January 2013. The relevant period for consideration is between 19 January 2010–19 January 2013.

[16] Since it is the plaintiff who is applying to rectify the register of trademarks, the onus of proof is on the plaintiff to establish prima facie evidence on non-use. A passage from *Kelly's Law of Trade and Mark Names*, (12th Ed) says that 'where the applicants for rectification furnished no evidence as to the manner of trading under the respective marks, they were held not to have discharged the onus upon ...'.

[17] In *Godrej Sara Lee Ltd v Siah Teong Teck & Anor (Part 2)* [2007] 7 MLJ 164; [2008] 7 CLJ 24, Ramly Ali J held as follows:

> [19] Case law has suggested that all the applicant for rectifications has to prove at the outset is prima facie case of non-use. Once this is done, the burden falls upon the registered proprietor being the first respondent (in the present case) to show evidence of use during the material period of time. (*Trina Trade Mark* [1977] RPC 131).
>
> [20] In the present case, a prima facie case has been made out. Independent investigations have been carried out by the applicant ...
>
> [21] It is thus clear that a prima facie case has been established. It is thus up to the first respondent to refute this position. The question is whether the first respondent has in fact done this. For an answer to this, the affidavits in reply filed by the first respondent have to be considered.

[18] The plaintiff had commissioned DNA Risk Sdn Bhd to perform an independent inquiry and market surveys on any 'Oishi' goods of the defendant in the market. The report, the inquiry and market survey report (see exh P3) seeks to establish prima facie evidence of non-use of the defendant's trademarks. From the executive summary of exh 'P3'. the market survey was

done between 11–22 August 2011 in three locations, Klang Valley, Johor and Penang where 260 outlets were visited. These outlets include hypermarkets, supermarkets, mini-markets, Chinese medicinal halls, convenience stores, wet markets and wholesalers.

[19] The survey seeks the availability of 'Oishi' products such as savoury snacks, crackers, candies, beverages in the 260 outlets. However during the said market survey, there were no 'Oishi' products found in the retail outlets. Upon interviewed, the outlet owners, outlet managers and outlet assistants confirm that they have never heard of and are not aware of the 'Oishi' products in the Malaysian markets.

[20] Premised on the said survey report in exh P3, I am of the considered opinion that the plaintiff has establish a prima facie case of non-use. With regards to the survey report itself, I agree with the plaintiff's submission that the said independent survey report has complied with the minimum requirements set out in *Imperial Group Ltd v Philip Morris & Co* [1984] RPC 293 as applied by Justice Azhar Mohamed in *Lam Soon Edible Sdn Bhd v Hup Seng Perusahaan Makanan (M) Sdn Bhd* [2010] 4 MLJ 702; [2010] 5 CLJ 975. The survey was done at 260 outlets in three major locations in Malaysia. Even if the Klang Valley, Johor and Penang are not reflective of the whole nation, if the defendant's mark cannot be found in these major locations, I doubt very much if the same can be found in an obscure location in the small town of Song in Sarawak.

[21] Since the plaintiff has made a prima facie case of non-use, the burden then shifts to the defendant to prove that there has been use of the defendant's 'Oishi' trademarks in this country. From the affidavit affirmed by Helen Huang on 27 November 2013, exh 'D2' are invoices dated 26 February 2009, 18 April 2009 and 9 June 2009 from the defendant to Proplus Resources, KL Malaysia. Bearing in mind that the relevant three year period is between 19 January 2010–19 January 2013, the production of these invoices dated 2009 are outside the relevant period.

(a) with regards to exh 'LKC2', the defendant relied on two invoices, dated 24 January 2010 and one purportedly dated 4 February 2010. It is to be noted that reference to 'Oishi' is hand written, in contrast to the other descriptions on the invoice. Added to that, the invoice dated 4 February 2010 is invoice No 5029, whereas, the invoice dated 24 January 2010 is invoice No 5052. Following the running number of the invoices, invoice No 5029 should be dated earlier than invoice No 5052, and not the reverse. It does not make sense with regards to the numbering of the invoices and is essentially questionable in its authenticity;

(b) further, i also take note that exh 'LKC2' contradicts para 9 of Helen Huang's affidavit where she made an admission that the 'mark' 'dihentikan dalam tahun 2009.';

(c) exh 'LKC2' also shows cash invoices of Proplus Resources, not by the registered proprietor (the defendant) or a registered user. As such, the use by Proplus is not recognised as use within the context of s 46(1)(b) of Act 175. Section 46(1)(b) requires the use of the registered mark by the registered proprietor or a registered user under s 48. In *McLaren International Ltd* the Federal Court held as follows:

> [29] ... So the ground for removal of the trade mark under s 46(1)(b) in respect of those goods may be avoided or prevented from arising, *the use must be use by the respondent himself as the registered proprietor or by the registered user of the trademark*, besides the use having to be in good faith. A *registered user is a person registered as such under s 48* ... (Emphasis added.)

[22] With regards to the 'use' of a trademark, the relevant s 3(2) of Act 175 provides:

> In this Act –
>
> (a) references to the *use of a mark* shall be construed as references to the *use of a printed* or *other visual representation of the mark*;
>
> (b) references to the *use of a mark in relation to goods* shall be construed as references to the *use thereof upon, or in physical or other relation to, goods*; (Emphasis added.)

[23] Therefore from s 3(2) read with s 46(1)(b), the reference to use must be physical use of the mark on or in relation to the goods by the registered proprietor or registered user. By simply showing the mark noted on cash invoices of a third party, and not of the registered proprietor or registered user is not 'use' of the registered mark within the meaning of s 46(1)(b) read with s 3.

[24] This position was affirmed by the court in *Godrej Sara Lee*, where the court held that for actual use to arise, there must be use of the mark on or in relation to goods. This will include affixing the mark to the goods or in an advertisement, circular or a catalogue.

[25] From exhs 'D2' and 'LKC2'. these are only invoices bearing the word 'Oishi'. There is no evidence to show that the goods actually bear the 'Oishi' mark. Therefore, I am of the considered opinion that defendant has failed to prove that there has been use of the defendant's 'Oishi' marks in this country for a continuous period of not less than three years up to one month before the

filing of this application. Alternatively, there has been no use of the defendant's 'Oishi' marks in this country to one month before the filing of this application under s 46(1)(a) of the TMA. There is no evidence that the goods bearing the mark were actually in the Malaysian market. On the defendant's contention that s 46(1)(a) was not pleaded, I take note that in the intitulement, the plaintiff is relying on s 46 of Act 175. As such, it cannot be said that s 46(1)(a) was not specifically pleaded. In any event, the facts elucidated in the plaintiff's affidavits support both limbs of s 46(1).

[26] The defendant further submits that the plaintiff is not entitled to rely on s 46(1)(b) as the failure of non use is due to special circumstance, and is not an intention not to use or abandon the trademark. The defendant submits that the non-use is due to the application for halal certification, which is special circumstance within sub-s (4) of s 46, which reads:

> (4) An applicant is not entitled to rely for the purpose of (b) or for the purpose of subsection (3) on any failure to use a trade mark if the failure is shown to have been due to special circumstances in the trade and not to an intention not to use or to abandon the trade mark in relation to the goods to which the application relates.

[27] The said provision was considered by Justice Ramly in the case of *Godrej Sara Lee*, where His Lordship had applied the principle in *BULOVA Trade Mark* [1967] RPC 229 and held as follows:

> [32] In the decision in *BULOVA Trade Mark* [1967] RPC 229, Ungoed Thomas J held relying on the decision of Evershed LJ in the case of *Aktiebolaget Manus v Fullwood & Blkand Ltd* [1949] 66 RPC 71 as follows:
>
> > It seems to me that both what Evershed LJ refers to as 'the ordinary and common-sense meaning of the words of the section and his own observations lay down that, if 'peculiar or abnormal', 'external' circumstances exist due to which there is non-use, then the requirement of the section is satisfied ....
>
> [33] Two conditions thus have to be satisfied which are as follows:
>
> (i) *the special circumstance must be peculiar or abnormal and must be external in nature*; and
>
> (ii) the non-use must be as a result of those circumstances.
>
> ...
>
> [36] It is thus clear from the facts and evidence that the *non-use was purely a commercial choice and not due to any peculiar or abnormal external event* ... (Emphasis added.)

[28] On this, I agree with the plaintiff that the reason given by the defendant for non use, namely the halal certification, is not from an abnormal external event, but a commercial choice, as the defendant purportedly wants to expand

into the halal market. As such, the defendant cannot rely on s 46(4) of Act 175.

(c) Whether the defendant's trademarks are entries made in the register without sufficient cause and are therefore wrongfully remaining in the register

[29] Finally the defendant also submits that since the registration was entered on 31 July 2003, seven years has lapsed, and pursuant to s 37 of Act 175, the registration in respect of trademark registration No 00010944 is conclusive. Section 37 reads as follows:

> 37 Registration conclusive
>
> In all legal proceedings relating to a trade mark registered in the Register (including applications under section 45) the original registration of the trade mark under the Act shall, after the expiration of seven years from the date thereof, be taken to be valid in all aspects unless it is shown that –
>
> (a) that the original registration was obtained by fraud;
>
> (b) that the trade mark offends against section 14; or
>
> (c) that the trade mark was not, at the commencement of the proceedings, distinctive of the goods or services of the registered proprietor.

[30] On this issue, the plaintiff rely on exceptions (b) and (c) in that the defendant's trademark offends s 14(1)(a) as the said mark is contrary to law as the same is not registrable under s 10(1)(c) because it is not an inventive word and offends s 10(1)(d) as the mark has a direct reference to the quality of the goods and is also a surname of prominent Japanese. The plaintiff also submits that the defendant's mark is not distinctive as its dictionary meaning is 'good taste'.

[31] From the affidavit affirmed by the plaintiff, it is clear that the name 'OISHI' is a surname of, amongst others, the following prominent figures:

(a) Hisako Oishi (born 1936), a Japanese politician of the Democratic Party of Japan;

(b) Koji Oishi (born 1977), a mixed martial arts fighter;

(c) Makoto Oishi, a Japanese wrestler, currently working for Kaientai Dojo;

(d) Masamitsu Oishi (born 1945), a Japanese politician of the Democratic Party of Japan;

(e) Nobuyuki Oishi (born 1939), a former Japanese football player;

(f) Oishi Sadahisa, a retainer of the Ogigayatsu-Uesugi branch of the Uesugi, and the builder of Takiyama Castle;

(g) Takaya Oishi (born 1972), a former Japanese football player;

(h) Tamotsu Oishi (1900–1946), a career officer in the Imperial Japanese Navy during World War II; and

(i) Yoshino Oishi (born 1944), a Japanese photographer.

[32] As such, I am of the considered opinion that the registration of the defendant's trademarks does not fulfil the criteria in s 10(1)(d) of Act 175 as it relates to surname of prominent Japanese and its continued registration is contrary to the law pursuant to s 14(1)(a).

[33] The plaintiff also submits that 'OISHI' or its transliteration, おいしい , is a Japanese dictionary word meaning 'good taste (in reference to food items)' in English. As the Japanese culture, especially with regards to the culinary aspect, is internationally renowned and revered, the Malaysian public have come to know and/or appreciate and/or recognise the meaning of the word 'OISHI' to bear the meaning 'good taste (in reference to food items)'.

[34] Thus, 'OISHI' is a word having direct reference to the character or quality of the goods or services of the defendant's trademarks, namely food and drink items and services, and thus is in contravention with and/or does not fulfil the criteria of registration under s 10(1)(d) of Act 175.

[35] As 'OISHI' has a well known dictionary meaning, I agree with the plaintiff that it is not an invented word and thus it does not fulfil the criteria for registration under s 10(1)(c) of Act 175.

[36] Therefore I am of the considered opinion that the defendant's trademarks were registered without sufficient cause and/or are registrations wrongfully remaining in the trademarks register. Justice Ramly Ali (now Federal Court judge) in *Titan (M) Sdn Bhd v The Registrar of Trade Marks* [2009] 7 CLJ 338 held that:

> [31] Words which are descriptive or words having direct reference to the goods or services, as to the characteristics or qualities of the goods or services, are common property and therefore cannot be monopolised by any person ....

[37] In the premise, as the word 'OISHI' is not an invented word, and can reflect the surname of prominent figure and has also a dictionary meaning of 'good taste'. it cannot be said to be distinctive. In the premise, the defendant cannot rely on s 37 of Act 137.

CONCLUSION

[38] Premised on the reasons above, I am of the considered opinion that there is merit in the plaintiff's application and the originating summons is allowed with costs.

Application allowed.

Reported by Ashok Kumar